

#### ABSTRACT OF THE DISCLOSURE

A position detecting system includes a light source device for providing coherent light, an incoherence-transforming device for transforming the coherent light from the light source device, into incoherent light, an optical system for dividing the incoherent light from the incoherence-transforming device into divided light, wherein one of the divided light beams produces an intermediate image, and light from the intermediate image is directed to illuminate a target upon a surface of an object while another of divided light beams is directed to be reflected by a surface which is optically conjugate with the [surface of the object] intermediate image, and wherein light from the target and light reflected by the conjugate surface are re-combined, an image pickup device for producing an imagewise signal corresponding to the target on the basis of the light re-combined by the optical system, wherein positional information related to a position of the target with respect to a direction along the surface of the object can be produced on the basis of the imagewise signal, and an image contrast adjusting device for adjusting image contrast of an image of a portion close to the target, as picked up by the image pickup device.